

**MEMORANDUM**

**TO:** Indiana State Board of Education  
**FROM:** Office of School Accountability, Indiana Department of Education  
**RE:** Annual Freeway School Performance Update  
**DATE:** February 28, 2017

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Pursuant to Indiana Code § 20-26-5-10, the Indiana State Board of Education (Board) must annually evaluate contract compliance for freeway schools that have completed a second, third, fourth or fifth school year under a freeway contract. In order to demonstrate contract compliance, the school must meet, or be on track to meet, all minimum educational benefits required under Indiana Code §20-26-15-7. The minimum educational benefits require the following:

- An average attendance rate that increases at least 2% each year until the average attendance rate is 85%; and increases at least 1% each year until the average attendance rate is 90%;
- An ISTEP+ pass rate that increases at least 2% each year until the overall ISTEP+ pass rate is 85%; and increases at least 1% each year until the overall ISTEP+ pass rate is 90%; and
- A four-year graduation rate that increases at least 2% each year until the four-year graduation rate is 85%; and increases at least 1% each year until the four-year graduation rate is 90%.

Freeway Contracts

Currently, there are 86 schools that completed year one of the contract, 17 schools that completed year three of the contract, and 29 schools that completed year four of the contract. Below is a summary of the progress made for each cohort of schools.

	<b>Achieved None</b>	<b>Achieved Some</b>	<b>Achieved All</b>
YEAR ONE	2	84	1
YEAR THREE	0	15	2
YEAR FOUR	1	27	1

Of the 84 schools in year one of the contract that “achieved some” of the minimum educational benefits, 15 schools are on track to achieve all minimum educational benefits by the end of the five-year contract period. None of the schools in year three of the contract that “achieved some” of the minimum educational benefits are on track to achieving all minimum educational benefits by the end of the five-year contract period, and one school in year four of the contract that “achieved some” of the minimum educational benefits is on track to achieving all minimum educational benefits by the end of the five-year contract period.

### Upcoming Actions

The Indiana Department of Education (Department) is currently in the process of communicating with all schools holding a freeway contract that have not achieved all of the minimum educational benefits. Specifically, the Department has asked those schools that have not achieved, or are not on track to achieve, all of the minimum educational benefits to explain why those benefits have not been achieved, and to provide the school's plan that addresses how it will improve performance and work toward achieving those minimum educational benefits by the end of the contract period.

The Department intends to bring forth recommendations regarding the renewal or cancellation of a school's freeway contract in compliance with Indiana Code § 20-26-15-11 once assessment and performance data for the 2017 school year are available.

Please note that the contract period for schools in years three and four of the freeway contract encompasses the 2014-15 ISTEP+ results, the "hold harmless" year. Therefore, the Department recommends that the Board consider extending the contract for these schools by one year to extend the practice of "hold harmless" for the 2014-15 school year to these freeway schools.